Development Challenges in Conflict-Affected Countries

1. **Poverty, marginalisation, and vulnerability:**
   - Economic, social and political inequality among culturally, ethnically, or socially defined groups.

2. **Unsustainable exploitation of natural resources and environmental deterioration**
   - Direct harm of natural resources and ecosystems, for example, through hazardous substances or overtaxing renewable resources.
   - Indirect harm to the environment often caused by coping strategies of local and displaced people in emergency situations or via uncontrolled overexploitation.

3. **Insecurity, militarization, and lawlessness**
   - Distorted traditional power structures that include active non-state armed groups and easily accessible weapons.
   - Human rights abuses and violent crime.

4. **Societal divisions**
   - Residual politicisation and stereotyping.
   - Bridges between social groups are weak, though group ties and identities within groups are strong.

5. **Poor governance, corruption, and low capacity**
   - Decimation of government institutions and organizational linkages.
   - Poor coordination among local and national institutions, formal and traditional institutions, the state and the (newly developing) civil society.
   - Corruption.
   - “Brain drain,” the loss of the country’s most skilled workers.

6. **Poor economic performance, limited fiscal resources, and disruption of infrastructures and public services**
   - Damaged infrastructure, scarce employment opportunities, reduced foreign investment, big shadow economies, and increased capital flight.
   - Inability to collect taxes, manage resources, implement policy, or uphold the rule of law.

7. **Regional and external risks**
   - Receipt of support or intervention from other countries that is not context-sensitive.
   - Conflict as a result of the direct or spillover effect from external involvement.